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UNCLAS SECTION 01 OF 03 MEXICO 002498

SENSITIVE STPDTS

STATE FOR H ANDREW MACDERMOTT AND DELORES PARKS STATE FOR WHA/MEX ELIZABETH WOLFSON AND IAN BROWNLEE

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TAGS: PREL PGOV SNAR ECON OREP MX

SUBJECT: SCENESETTER FOR SENATOR SPECTER'S VISIT TO MEXICO

AUGUST 17-19

 $\underline{\P}1$. (SBU) Welcome to Mexico City. President Calderon recognizes the broad-ranging challenges his country faces and has the vision and political will to address them strategically. He has demonstrated resolve in implementing his key policy objectives: improving security and the rule of law, attacking poverty, and creating jobs. The U.S. and Mexico have developed a solid set of institutional relationships that allow us to work productively on most of our priorities, including fundamental issues of homeland security and North American prosperity. Those links are set to expand. With the recent signing of Merida Initiative funding, we are poised to significantly expand counter drug cooperation and support President Calderon's robust efforts to take down Mexico's drug cartels and improve public security.

Strengthening Law Enforcement _____

12. (SBU) President Calderon remains firm in his commitment to aggressively target violence and criminality and continues to sharpen the capabilities of his law enforcement team. the past year and a half he has: launched aggressive anti-drug operations in ten states; raised pay for the military; replaced numerous high-ranking federal police officers in an anti-corruption campaign; launched a billion dollar project to create real-time interconnectivity between all police and prosecutors, as well as a unified national

crime database; and championed congressional legislation to unify federal police forces and reform the judicial system.

- 13. (SBU) Calderon continues to strengthen law enforcement cooperation with the USG. The GOM has ramped up extraditions to the U.S. - 83 in 2007 and 55 so far this year. The ongoing security campaign has reduced the broad geographic range and legal impunity that the cartels have traditionally enjoyed in Mexico, although progress is tenuous and uneven. Addressing personal security challenges continues to rank as the number one priority in public opinion polls and there is general support among the Mexican public and body politic for expanding bilateral cooperation. The Merida Initiative is only the highest profile element of an emerging pattern of cooperation across the board, which is
- 14. (SBU) It should be noted that Mexico's military plays a fundamental role in the fight against organized crime, and in particular narco-trafficking. Both Army and Navy, at the direction of the President, have devoted significant resources and manpower to drug, firearms and bulk cash interdictions and eradication.

Stakes Rising for Security Officials

likely to take on momentum in coming years.

15. (SBU) The human price Mexico is paying remains high, with

over 2000 drug related killings so far in 2008, including

more than 200 police and military officials. A new disturbing trend in recent months has been the slaying of several senior police officials.

Combating Corruption

16. (SBU) Turning the page on Mexico's endemic corruption is an essential component of President Calderon's efforts to combat organized crime. The Public Administration Secretariat (SFP), created by the Fox administration, is at the center of this effort, coordinating a network of inspectors general in GOM offices. In 2007, SFP reported that the number of investigations conducted and public officials dismissed

nearly doubled over the prior year. The Public Security Secretariat (SSP) has undertaken an ambitious program designed to eventually vet all 400,000 of Mexico's federal, state, and local law enforcement officials. Mexico's recently approved judicial reforms should make Mexico's judicial processes more transparent and accessible. (see para 7.)

Meanwhile, Mexico's military seeks to deepen its cooperative relationship with the U.S., including through the acquisition of U.S. equipment, in large measure out of a desire to reduce the potential for corruption. Deepening U.S. cooperation through the

Merida Initiative will advance significantly the GOM's anti-corruption efforts.

MEXICO 00002498 002 OF 003

Justice Reform

17. (SBU) In June, President Calderon signed into law major judicial reform legislation to facilitate transition to an oral trial system, give law enforcement officials broader search and seizure authority, allow consensual monitoring of telephone calls, and give police more responsibility for conducting investigations. Effective implementation of the legislation will make the Mexican system work more transparently, expeditiously, and fairly. A share of Merida Initiative support is tagged to assist Mexico with putting this improved system into place.

Political Landscape

18. (SBU) The president faces a hardening political environment here with the approach of legislative and key gubernatorial elections next year. The window of opportunity to effectively cooperate with a divided congress on major reform initiatives, such as energy reform, is rapidly closing. While security issues are paramount, prosperity is also a key priority in the minds of most Mexicans. If his programs and policies prove unsuccessful in generating the kind of growth necessary to create more jobs and reduce poverty, Calderon could quickly find himself vulnerable to a reinvigorated political opposition.

U.S.- Mexico Relations

19. (SBU) The Calderon government has demonstrated pragmatism in its posture toward the United States and bilateral cooperation, particularly in law enforcement, has never been stronger. However, the failure of immigration reform in the United States was a political setback for the president. The result is that he enjoys less political space in which to openly cooperate with the U.S. on issues of mutual bilateral importance.

Key Issues

-- Border Security: In FY 2007 there were a total of 1,073 incidents of violence that occurred at/or between the ports of entry against CBP law enforcement personnel - a 28% increase from FY06 to FY07. The southwest border accounted for 99% of violent assaults against CBP law enforcement personnel for FY07.

The protocols addressing border violence that we entered into with the GOM in 2006 are now in place throughout the entire U.S.-Mexico border. Through these protocols, joint Border Security and Public Safety working groups meet locally on a monthly basis to discuss incidents of and mechanisms to address cross-border violence.

Since the protocols were instituted, the most prevalent challenge has been the lack of GOM response to calls for assistance and/or support. In response to the issue, SSP and CISEN (Center for Research and National Security) have worked closely to draft a plan of incorporation to make Mexico's Federal Police an equal partner in the protocols.

The GOM is quick to posture on incidents of violence against undocumented aliens. The occasional cases in which Border Patrol agents (often acting in self-defense) injure or kill undocumented aliens inevitably provoke a sharp reaction here. Your visit can reinforce our message that we are concerned by the violence that is an unfortunate byproduct of illegal migration and that we need to work together to ensure safe, orderly and legal border crossings, while stemming the flow of illegal migrants. (Note: Mexico has similar problems with violence along it's own southern border and Mexican treatment of illegal migrants from Central America.)

-- Drugs: Mexico is a central partner in USG efforts to combat drug trafficking and other trans-border threats. The 2000-mile border, with its high-volume ports of entry, and Mexico's maritime waters and airports, are vulnerable to criminal penetration. As much as 80 percent of all the cocaine consumed in the United States transits Mexico. Mexico is a major source of heroin, methamphetamines, and marijuana, and the primary placement point for criminal proceeds from the U.S. into the international financial

MEXICO 00002498 003 OF 003

system. While taking aggressive measures to tackle the problem at home, President Calderon has also publicly urged the United States to boost our own efforts to drive down demand for narcotics and improve controls on arms, cash, and precursor chemicals smuggled into Mexico.

-- Arms Trafficking: The smuggling of weapons into Mexico from the U.S. represents a major concern for Mexican authorities. Approximately 95 percent of the illegal arms, including automatic weapons, smuggled into Mexico come from the U.S. The GOM would like to see the U.S. take stricter measures to better enforce existing U.S. legislation on arms exports, which the GOM believes is fundamental to winning the war against organized crime and drug trafficking.

ATF conducts all firearms traces of seized weapons in Mexico and also assists the Mexican Army in cases of ATF jurisdiction. E-Trace has been deployed to all nine U.S. Consulate Offices in

Mexico. It is a means of electronically submitting a trace request via computer to ATF's National Tracing Center and providing the requester with a response within ten days. An urgent trace can be submitted and received within 24 hours. E-Trace is available to both U.S. and Mexican law enforcement at these Consulate Offices. ATF is currently waiting for SSP to sign an E-Trace MOU to deploy E-Trace via the SSP in all 32 Mexican States.

DHS continues to work on a number of important initiatives with Mexico involving arms trafficking. ICE recently initiated "Operation Armas Cruzadas" to combat the smuggling of weapons from the United States into Mexico. As part of this initiative, DHS and GOM agencies will partner in unprecedented bilateral interdiction, investigation, an intelligence-sharing activities to identify, disrupt, and dismantle cross-border criminal networks that smuggle weapons from the United States into Mexico.

Moreover, DOD through the Defense Attache has established a close working relationship with the Mexican army relative to firearms

seizures. Through "Operation Chuck Wagon" they assist the army in identifying high caliber and military type weapons (i.e.LAW rockets, RPG's and grenades).

-- Immigration: Far more than his predecessor, President Calderon recognizes that immigration reform is a U.S. domestic matter that is dependent upon U.S. congressional action. He will seek progress in a low-key effort that avoids making migration the dominant bilateral issue. He places great emphasis on creating economic opportunities for Mexicans inside Mexico. President Calderon has publicly said that the

solution to the immigration problem is the responsibility of the Mexican government, and must be done by bringing capital to the workers in Mexico, rather than having Mexican labor flow to capital in the United States. Nevertheless, the Mexican public draws little distinction between documented and undocumented migrants, seeing both as hard-working countrymen who have been driven to the U.S. by domestic economic adversity and U.S. labor demand. As such, domestic political considerations require that Calderon and his cabinet raise the issue with USG officials and that he publicly criticize measures that most Mexicans find offensive. Should the issue arise in your meetings with your Mexican interlocutors, we encourage you to explain U.S. domestic political factors affecting the issue of migration and help your Mexican interlocutors maintain realistic expectations.

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